



ESS IDEA Grant Management

IDEA Basic Entitlement
and Supplemental IDEA Grants

Directors Institute
August 26 - 28, 2013

Purpose of IDEA Funds

- To assist local/public education agencies (LEAs/PEAs) in assuring that all children with disabilities, ages 3–21, have available a free appropriate public education (FAPE) that emphasizes special education and related services designed to meet their unique needs.
- A PEA may use the funds under Part B for the **excess costs** of providing special education and related services.

IDEA Entitlement Allocations

Allocations to LEAs are composed of three different components.

1. Base Allocation – Special education count as of December 1998. (Adjustments to this count are made when a new or expanding charter submits a Charter School Expansion Act application. In the application, a charter reports where the student last attended school. Adjustment is made the following school year by adding the student to the charter base count and removing the student from the LEA from which the student withdrew.)

2. Enrollment – This enrollment count is the October 1 enrollment reported to ADE. For districts, the number of home schooled students and students attending private schools in your boundary are added to your October enrollment. This count is self reported by your district as a “write-in” count when you do your October special education census reporting.

3. Poverty – This count comes from student information you submit to the ADE SAIS system.

The accuracy of your student data is vital as it pertains to IDEA funding. If your student data is not accurate, this will affect multiple federal program allocations. It is your responsibility to correct any errors no later than February since allocation processes begin as soon as March for the upcoming year.

IDEA Entitlement Applications Available

- 2014 IDEA Basic Entitlement
Grant period 7/1/13–6/30/14
- 2014 IDEA Preschool Entitlement (administered by the ADE
Early Childhood division)
Grant period 7/1/13–6/30/14

Proportionate Share

For school districts only:

- Districts must provide a proportionate share of funding for services to children with disabilities in home schools and placed by parents in private schools. Expenditures for these services must be accounted for in preparing your IDEA Basic Entitlement application budget and identified in the budget line item description area.
- A guidance document is provided as an application download on the ADE Grants Enterprise website.
- For audit purposes, it is beneficial to create an accounting mechanism within the agency to clearly and accurately account for these expenditures.
- The year end completion report for IDEA Basic must include these costs as well.

Excess Cost Requirement

- IDEA regulations require IDEA funds be used for the **excess cost** of providing special education.
 - costs over and above state and local SPED expenditures
 - determined using the PEA average per pupil expenditure (PPE) for all children during the preceding fiscal year
- Agencies must spend a minimum amount for education of its children with disabilities before Part B funds are used.
- Children served with Part B funds must have **at least** the same average amount spent on them from sources other than Part B as do children in the PEA as a whole.

Excess Cost *(continued)*

To ensure compliance with the excess-cost requirement, use the following process:

- To determine the per pupil expenditure (PPE), use the FY13 final revised/approved budget. **Total** the regular education and transportation amounts from page 1.
- **Divide** the total by your ADM from the most recent ADMS 40-2. This amount is your PPE.
- **Multiply** the PPE by the number of SPED students identified by the most recent SPED 28. This is the minimum amount of state and local funds that must be budgeted in your FY14 M & O budget (special education section).
- The M & O special education budget amount must be identified in your IDEA Basic Entitlement application narrative.

Excess Cost *(continued)*

- If your most recent adopted budget does not reflect this amount, it must be revised prior to the May 15 final budget revision date.

Example:

- Regular Education + Transportation = $\$10,000 \div$
- ADMS 40-2 is 100 $\frac{100}{100} = \text{PPE } (\$100)$
- SPED 28 is 10 $\times 10$
- Minimum state and local SPED budget per special education student = \$ 1,000

Maintenance of Effort (MOE)

- To meet the MOE requirement, the total amount or average per capita amount of state and local funds budgeted by the PEA for expenditures in the current fiscal year for the education of children with disabilities must be at least equal to the total amount or average per capita amount of state and local funds actually spent for the education of children with disabilities in the most recent preceding fiscal year for which the information is available.

Maintenance of Effort *(continued)*

- For FY2014 we are looking at 2012 Annual Financial Report (AFR) expenditures, your 2013 adopted budget, and your 2014 adopted budget.
- After the 2013 AFR is submitted on October 15, 2013, we will compare '13 expenditures to '12 expenditures, as well as compare those amounts to the '14 budget.
- You will receive a letter from ESS if we find a potential MOE issue. You must respond within the given timeline in order to be compliant. All required worksheets must be included in your response. A late response will negatively affect your PEA determination.

Maintenance of Effort *(continued)*

There are legitimate reasons for a reduction to the M & O special education budget , which include:

- **Decreases in enrollment of children with disabilities;**
- **Termination of costly expenditures for long-term purchases, such as the acquisition of equipment and the construction of school facilities;**
- **Replacement of personnel with qualified, lower-salaried personnel;**
- **Termination of the obligation to provide a program of special education to a particular child with a disability who is in an exceptionally costly program; or**
- **Assumption of cost by the high-cost fund operated by ADE.**

Coordinated Early Intervening Services (CEIS)

- A PEA may use up to 15% of its total IDEA Part B and Preschool allocations for coordinated early intervening services (CEIS) for children in grades K–12 who are not currently identified as children with disabilities, but who need additional academic and behavioral support to succeed in a general education environment.
- OSEP guidance on the appropriate use of IDEA funds for CEIS can be found as a separate application download on the ADE Grants Management homepage under 2014 IDEA Basic Entitlement.
- If this election is made within your application, you must identify the types of services to be provided and the dollar amounts related to those activities in your budget line item descriptions.
- Within the completion report, you are required to report the types of services provided and the number of students served under each activity. You must also track, for two years, each of the students served in order to report whether any of these students ultimately are identified as special education eligible.

Suggested Uses of Funds

You may use the entitlement funds in any or all of the priority areas that will assist your LEA to increase the level, intensity, and quality of services for children with disabilities.

- Activities to correct deficiencies identified in monitoring for compliance with IDEA and its regulations, audit findings, or self-identified issues
- Assistive technology devices and services
- Comprehensive System of Personnel Development (CSPD) training
- Services identified in student IEPs
- Least restrictive environment (LRE) option expansion
- Program improvement efforts
- Transition
- Initiatives to ensure addressing Arizona Common Core Standards by students with disabilities

Completion Report Components

- The completion report is used to identify your actual expenditures as they relate to your most recent budget for the grant.
- For IDEA Basic Entitlement, your carryover amounts are determined based on the budget balance shown.
- Amounts spent for CEIS, the number of students served in the current year, and results for prior year use of funds for CEIS are reported annually to ADE using this completion report; the data are then reported to the USDOE.
- The detailed expenditure reporting page must be filled out for ADE to collect information on the use of IDEA funds for CEIS and proportionate share expenditures (districts).
- This completion report is also used to determine whether ADE needs to release additional funds to cover your actual costs reported. Any negative balance generally occurs because the your payment requests did not request funds to cover all anticipated June costs.

Other IDEA Funds Available

- Capacity Building grants
(check fund alerts beginning January of each year)
- Emergency grants
(unexpected situations for which you could not budget/plan for)
- High Cost Child grants
(unexpected student whose education costs are three times the average)
- Charter School Expansion Act
(new or expanding charter schools serving students with disabilities)

** If time allows, a brief overview of the ADE Grants Management Enterprise system will be provided.